

MONTGOMERY COUNTY, MARYLAND
DEBT CAPACITY
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
Table 17

Fiscal Year	Governmental Activities								
	General Obligation Bonds	Variable Rate Demand Obligations	Taxable BABs General Obligations	Bond Anticipation Notes	Notes Payable	Lease Revenue Bonds	State MICRF Loan	Certificates of Participation	Capital Leases
2001	\$ 1,177,635,952	\$ -	\$ -	\$ 125,000,000	\$ 31,925	\$ -	\$ 1,625,240	\$ 54,660,000	\$ -
2002	1,241,920,821	-	-	125,000,000	-	37,880,000	1,408,951	43,530,000	19,940,589
2003	1,288,100,672	-	-	125,000,000	1,088,738	37,880,000	1,341,206	31,570,000	31,201,945
2004	1,329,669,923	-	-	150,000,000	7,075,167	37,880,000	1,270,924	19,215,000	69,173,538
2005	1,415,151,542	-	-	-	11,575,144	41,275,000	1,198,385	9,780,000	83,969,583
2006	1,393,883,160	100,000,000	-	100,000,000	13,980,419	39,790,000	-	-	87,086,843
2007	1,512,675,607	100,000,000	-	150,000,000	13,975,293	38,255,000	-	-	81,316,156
2008	1,366,758,054	100,000,000	-	300,000,000	9,920,647	36,670,000	-	33,580,000	74,472,783
2009	1,496,561,371	100,000,000	-	300,000,000	15,764,265	35,025,000	-	30,475,000	67,929,435
2010	1,437,839,285	100,000,000	232,000,000	425,000,000	13,897,942	33,320,000	-	50,255,000	81,564,283

NOTES:

* Amounts for 2001 represent debt relating to total governmental funds (from the General Long-Term Obligations Account Group) and total enterprise funds, since the reporting of governmental activities and business-type activities in government-wide financial statements was implemented in FY02.

(1) See Table 23 for personal income and population data, used in calculating these ratios.

		Business-type Activities						Ratios									
Revenue Bonds		Taxable Limited Obligation Certificates		General Obligation Bonds		Revenue Bonds		Notes Payable		Capital Leases		Total Primary Government		Debt to Personal Income (1)		Outstanding Debt per Capita (1)	
\$	-	\$	-	\$	1,072,082	\$	65,120,348	\$	1,515,464	\$	-	\$	1,426,661,011	3.14	%	\$	1,597
	-		-		632,233		86,835,000		800,000		-		1,557,947,594	3.31			1,719
	-		-		192,382		78,680,000		800,000		-		1,595,854,943	3.27			1,744
	-		-		108,131		70,915,000		800,000		-		1,686,107,683	3.22			1,831
	-		-		56,512		62,655,000		-		-		1,625,661,166	2.90			1,750
	-		-		4,894		70,620,000		-		-		1,805,365,316	2.99			1,931
	-		-		2,447		61,800,000		926,268		10,033,172		1,968,983,943	3.13			2,091
	-		-		-		54,685,000		724,795		-		1,976,811,279	3.07			2,073
14,463,000			-		-		79,567,000		467,876		-		2,140,252,947	3.24			2,236
13,923,324	30,400,000		-		-		73,101,676		252,610		-		2,491,554,120	3.70			2,579

MONTGOMERY COUNTY, MARYLAND
 DEBT CAPACITY
 RATIOS OF GENERAL BONDED DEBT OUTSTANDING
 LAST TEN FISCAL YEARS
 Table 18

Fiscal Year	General Bonded Debt Outstanding (1)			Total	Percentage of Estimated Actual Taxable Value of Property (3)	Per Capita (4)
	General Obligation Bonds (2)	Variable Rate Demand Obligations(2)	Taxable BABs General Obligations (2)			
2001	\$ 1,178,708,034	\$ -	\$ -	\$ 1,178,708,034	1.42 %	\$ 1,320
2002	1,242,553,054	-	-	1,242,553,054	1.41	1,371
2003	1,288,293,054	-	-	1,288,293,054	1.32	1,408
2004	1,329,778,054	-	-	1,329,778,054	1.30	1,444
2005	1,415,208,054	-	-	1,415,208,054	1.30	1,524
2006	1,393,888,054	100,000,000	-	1,493,888,054	1.14	1,597
2007	1,512,675,607	100,000,000	-	1,612,675,607	1.12	1,713
2008	1,366,758,054	100,000,000	-	1,466,758,054	0.92	1,538
2009	1,496,561,371	100,000,000	-	1,596,561,371	0.89	1,668
2010	1,437,839,285	100,000,000	232,000,000	1,769,839,285	0.99	1,832

NOTES:

- (1) General Bonded Debt includes all general obligation debt, variable rate demand obligation, regardless of purpose or repayment source, and other bonded debt financed with general government resources. Governmental lease revenue bonds and business-type revenue bonds are excluded because they are repayable from specific resources other than general governmental resources. Other debt is excluded because it is not in the form of bonds.
- (2) General obligation bonds, variable rate demand obligations and build america bonds are comprised of both governmental and business-type activities from Table 17.
- (3) See Table 8 for estimated actual value of taxable property data.
- (4) See Table 23 for population data.

MONTGOMERY COUNTY, MARYLAND
 DEBT CAPACITY
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT (1)
 AS OF JUNE 30, 2010
 Table 19

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Overlapping Debt:			
Towns, Cities, and Villages: (2, 3)			
Garrett Park - bonds	\$ 556,900	100.00 %	\$ 556,900
Poolesville - bonds	1,917,608	100.00	1,917,608
Rockville:			
Bonds	36,552,304	100.00	36,552,304
Certificates or notes	178,467	100.00	178,467
Takoma Park:			
Bonds	5,398,992	100.00	5,398,992
Certificates or notes	152,260	100.00	152,260
Capital leases	201,978	100.00	201,978
Component Units (2):			
MCPS - capital leases	32,784,825	100.00	32,784,825
MCC - capital leases	47,110,000	100.00	47,110,000
Joint Venture - M-NCPPC (4):			
Park acquisition and development bonds	105,926,154	28.02	29,680,000
Advance land acquisition bonds	2,970,000	90.24	2,680,000
Notes payable	1,580,211	58.66	927,029
Loan payable	113,600	100.00	113,600
Development Districts (2):			
Kingsview Village Center - bonds	1,995,000	100.00	1,995,000
West Germantown - bonds	14,815,000	100.00	14,815,000
Total Overlapping Debt			175,063,963
Montgomery County direct debt (5)			2,418,199,833
Total Direct and Overlapping Debt			<u>\$ 2,593,263,796</u>

NOTES:

- (1) Direct debt relating to the governmental activities of the County includes general obligation bonds, variable rate demand obligations, bond anticipation notes, notes payable, lease revenue bonds, and capital leases. Overlapping debt is the debt of other governmental entities in the County that is payable in whole or in part by taxpayers of the County. It includes general obligation bonds, revenue bonds, mortgages payable, notes payable, commercial paper, bond anticipation notes, certificates of participation, capital leases, and bank loans.
- (2) Entities are wholly within Montgomery County.
- (3) Unaudited information provided by entities.
- (4) Overlapping debt percentage is based on the debt relating to the County.
- (5) Source: total of governmental activities debt on Table 17.

MONTGOMERY COUNTY, MARYLAND
DEBT CAPACITY
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS
Table 20

	2001	2002	2003	2004
Assessed Value				
Real property (1, 3)	\$ 29,649,012,878	\$ 77,574,947,550	\$ 82,407,337,831	\$ 89,263,005,267
Personal property (2)	4,077,848,090	4,201,344,590	4,227,854,400	3,963,801,610
Total Assessed Value	<u>\$ 33,726,860,968</u>	<u>\$ 81,776,292,140</u>	<u>\$ 86,635,192,231</u>	<u>\$ 93,226,806,877</u>
Legal Debt Margin				
Debt Limit - Percentage of Assessable Base:				
For real property at 6% (15% for 2001 and prior) (2)	\$ 4,447,351,932	\$ 4,654,496,853	\$ 4,944,440,270	\$ 5,355,780,316
For personal property at 15%	<u>611,677,214</u>	<u>630,201,689</u>	<u>634,178,160</u>	<u>594,570,242</u>
Legal Limitation for the Borrowing of Funds and the Issuance of Bonds	<u>5,059,029,146</u>	<u>5,284,698,542</u>	<u>5,578,618,430</u>	<u>5,950,350,558</u>
Debt Applicable to Limit:				
General obligation bonds	1,178,708,054	1,242,553,054	1,288,293,054	1,329,778,054
Variable Rate Demand Obligation	-	-	-	-
Taxable BABs General Obligation	-	-	-	-
Bond anticipation notes	125,000,000	125,000,000	125,000,000	150,000,000
Long-term notes payable	<u>1,625,240</u>	<u>1,408,951</u>	<u>1,341,206</u>	<u>1,270,924</u>
Total Debt Applicable to Limit	<u>1,305,333,294</u>	<u>1,368,962,005</u>	<u>1,414,634,260</u>	<u>1,481,048,978</u>
Legal Debt Margin	<u>\$ 3,753,695,852</u>	<u>\$ 3,915,736,537</u>	<u>\$ 4,163,984,170</u>	<u>\$ 4,469,301,580</u>
Legal Debt Margin as a Percentage of Debt Limit	74%	74%	75%	75%

NOTES:

(1) See (1) on Table 8.

(2) See (3) on Table 8.

(3) As a Charter County, the legal debt limit is provided by Article 25A, Section 5(P(i)), of the Annotated Code of Maryland. Prior to June 1, 2001, the legal debt limit was 15 percent of the assessable base (real and personal property) of the County. During that time, the assessable base for real property was 40 percent of the full assessed value. Effective June 1, 2001, real property in the State of Maryland began being assessed at 100 percent of full assessed value instead of the previous 40 percent assessment method. Also effective June 1, 2001, the section of the Code referred to above was amended in conjunction with the real property assessment change. Under the amendment, the legal debt margin is a total of 6 percent of the assessable base (presented at 100 percent) of real property of the County and 15 percent of the County's assessable base of personal property and operating real property.

2005	2006	2007	2008	2009	2010
\$ 98,281,724,723	\$ 110,529,249,116	\$ 125,710,776,118	\$ 142,306,435,593	\$ 158,133,491,472	\$ 167,096,843,537
3,902,612,110	3,831,629,230	3,948,949,550	3,970,547,370	3,920,171,020	4,123,996,612
<u>\$ 102,184,336,833</u>	<u>\$ 114,360,878,346</u>	<u>\$ 129,659,725,668</u>	<u>\$ 146,276,982,963</u>	<u>\$ 162,053,662,492</u>	<u>171,220,840,149</u>
\$ 5,896,903,483	\$ 6,631,754,947	\$ 7,542,646,567	\$ 8,538,386,136	\$ 9,488,009,488	\$ 10,025,810,612
585,391,817	574,744,385	592,342,433	595,582,106	588,025,653	618,599,492
<u>6,482,295,300</u>	<u>7,206,499,332</u>	<u>8,134,989,000</u>	<u>9,133,968,242</u>	<u>10,076,035,141</u>	<u>10,644,410,104</u>
1,415,208,054	1,393,888,054	1,512,675,607	1,366,758,054	1,496,561,371	1,437,839,285
-	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
-	-	-	-	-	232,000,000
-	100,000,000	150,000,000	300,000,000	300,000,000	425,000,000
1,198,385	-	-	-	-	-
<u>1,416,406,439</u>	<u>1,593,888,054</u>	<u>1,762,675,607</u>	<u>1,766,758,054</u>	<u>1,896,561,371</u>	<u>2,194,839,285</u>
<u>\$ 5,065,888,861</u>	<u>\$ 5,612,611,278</u>	<u>\$ 6,372,313,393</u>	<u>\$ 7,367,210,188</u>	<u>\$ 8,179,473,770</u>	<u>8,449,570,819</u>
78%	78%	78%	81%	81%	79%

MONTGOMERY COUNTY, MARYLAND
 DEMOGRAPHIC STATISTICS
 LAST TEN YEARS
 Table 23

Calendar Year	Population (1)	Personal Income (\$ thousands) (2)	Per Capita Income (3)	Civilian Labor Force (4)	Resident Employment (5)	Unemployment Rate (6)	Average Registered Number of Pupils (Fiscal Year)(7)
2001	893,275	\$ 45,483,059	\$ 50,917	490,213	475,049	3.1 %	134,180
2002	906,145	47,069,098	51,944	496,101	478,782	3.5	136,832
2003	914,893	48,728,619	53,262	496,223	479,675	3.3	138,891
2004	920,965	52,392,771	56,889	497,204	481,248	3.2	139,203
2005	928,916	56,016,278	60,303	508,251	492,431	3.1	139,337
2006	935,168	60,472,607	64,665	517,532	502,959	2.8	139,387
2007	941,491	62,901,647	66,811	516,790	502,904	2.7	137,798
2008	953,685	64,403,687	67,531	519,944	502,940	3.3	137,745
2009	957,200	66,060,000	69,014	513,689	486,329	5.3	137,763
2010	966,000	67,430,000	69,803	509,320	479,590	5.6	140,500

NOTES:

- (1) Sources: Data for 2001-2008 from the Bureau of Economic Analysis (BEA), U.S. Department of Commerce. Data for 2009 and 2010 are estimated by the Montgomery County Department of Finance from Round 7.2A Cooperative Estimates and pertain to population in households. Estimates for 2001-2008 revised by BEA in April 2010.
- (2) Source: Bureau of Economic Analysis (BEA), U.S. Department of Commerce. Personal income includes money income from wages and salaries; transfer payments such as social security and public assistance; income from rent, interest and dividends. Data for 2001-2007 were revised by BEA and data for 2008 are a preliminary estimate from BEA. Data for 2009 and 2010 are estimates derived by the Montgomery County Department of Finance.
- (3) Per capita income is derived by dividing personal income by population.
- (4) Source: Bureau of Labor Statistics (BLS), U.S. Department of Labor. Civilian labor force data include all persons in the civilian noninstitutional population classified as either employed or unemployed and counted by place of residence and are revised by BLS for 2005 - 2009. Data for 2010 estimated by Montgomery County Department of Finance based on the percent change from first half of CY2009 to the first half of CY2010.
- (5) Source: Bureau of Labor Statistics (BLS), U.S. Department of Labor. Resident employment includes all persons who during the survey week (a) did any work as paid employees, worked in their own business or profession or on their own farm, or worked 15 hours or more as unpaid workers in an enterprise operated by a member of their family, or (b) were not working but who had jobs from which they were temporarily absent because of vacation, illness, bad weather etc. Each employed person is counted only once, even if he or she holds more than one job and is counted by place of residence and not by place of employment. Data for 2005-2009 revised by BLS. Data for 2010 estimated by Montgomery County Department of Finance based on the percent change from first half of CY2009 to the first half of CY2010.
- (6) The unemployment rates for 2005 and 2009 were revised by the Bureau of Labor Statistics, U.S. Department of Labor. Unemployment rate for 2010 estimated by Montgomery County Department of Finance based on the average of the monthly unemployment rates for the first half of 2010.
- (7) Source: County Executive's Recommended FY11 Operating Budget, Office of Management and Budget, Montgomery County, p 10-5.

STATE OF MARYLAND
Schedule of Ratio of Outstanding Debt by Type
Last Nine Fiscal Years*
(Dollars Expressed in Thousands except Per Capita)

Fiscal Year	General Bonded Debt				Other Governmental Activities Debt				Debt Ratios, Governmental Activities				Business-Type Activities Debt				Debt Ratios, Primary Government			
	Transportation		Capital		Leases with		Total		Percentage of Personal Income (1)	Per Capita (1)	Revenue Bonds	Capital Leases	Business-Type Activities Debt	Total Business-Type Activities Debt	Total Primary Government Debt	Percentage of Personal Income (1)	Per Capita (1)			
	Bonds	Bonds	Leases	Leases	Transportation Debt / Other Liabilities (2)	Component Units	Governmental Activities Debt	Governmental Activities Debt												
2010	\$6,523,222	\$1,645,010	\$798,201			\$232,762	\$9,199,195	\$3,141,614	3.31%	\$1,614	\$6,161,633	\$5,261	\$6,166,894	\$15,366,089	5.53%	\$2,696				
2009	5,873,643	1,582,605	848,208			250,407	8,554,863	3,141,519	3.14	1,519	5,422,501	5,748	5,428,249	13,983,112	5.13	2,482				
2008	5,493,830	1,268,815	515,134		\$373,319	265,767	7,916,865	3,021,409	3.02	1,409	5,041,339	648	5,041,987	12,958,852	4.94	2,307				
2007	5,142,154	1,111,050	535,482		391,029	278,265	7,457,980	3,031,331	3.03	1,331	4,140,383	1,124	4,141,507	11,599,487	4.70	2,071				
2006	4,868,472	1,079,340	519,592		404,320	293,140	7,164,864	3,081,286	3.08	1,286	2,882,855	1,256	2,884,111	10,048,975	4.31	1,803				
2005	4,511,826	1,071,620	440,236		409,587	304,220	6,737,489	3,061,217	3.06	1,217	2,825,315	1,673	2,826,988	9,564,477	4.34	1,727				
2004	4,102,278	1,188,090	345,028		400,813	303,901	6,340,110	3,081,154	3.08	1,154	2,935,711	3,132	2,938,843	9,278,953	4.51	1,689				
2003	3,932,493	964,400	262,792		264,099	296,672	5,720,456	2,881,053	2.88	1,053	3,220,797	2,371	3,223,168	8,943,624	4.50	1,646				
2002	3,544,178	717,980	220,649		119,460	290,510	4,892,777	2,57909	2.57	909	3,412,923	3,243	3,416,166	8,308,943	4.37	1,543				

Source: General Accounting Division, State Comptroller's Office

*Information for fiscal years prior to fiscal year ended June 30, 2002, is not available.

- (1) Population and personal income data can be found in the Schedule of Demographic Statistics.
 (2) Transportation debt/other liabilities was reclassified as capital leases beginning in fiscal year 2009.

STATE OF MARYLAND
Ratio of General Bonded Debt
To Actual Value and General Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	(Expressed in Thousands)			Ratio of General Bonded Debt to Actual Property Value	General Bonded Debt per Capita
	Estimated Population (1)	Estimated Property Value	General Bonded Debt (2)		
2010	5,699	\$731,809,178	\$6,523,222	0.89%	\$1,145
2009	5,634	707,573,095	5,873,643	0.83	1,043
2008	5,618	633,453,169	5,493,830	0.87	978
2007	5,602	527,012,375	5,142,154	0.98	918
2006	5,573	452,249,831	4,868,472	1.08	874
2005	5,537	398,065,083	4,511,826	1.13	815
2004	5,494	361,689,307	4,102,278	1.13	747
2003	5,434	336,657,741	3,932,493	1.17	724
2002	5,383	318,778,365	3,544,178	1.11	658
2001	5,312	307,476,610	3,450,900	1.12	650

Source: The Fifty-seventh through Sixty-sixth Report of the State Department of Assessments and Taxation and the State Comptroller's Office.

(1) See Schedule of Demographic Statistics.

(2) Includes general obligation bonds. The primary revenue source to pay the debt service for general obligation bonds is property taxes.

STATE OF MARYLAND
Legal Debt Margin Information
Last Ten Fiscal Years
(Expressed in Thousands)

Legal Debt Margin Calculation for Fiscal Year 2010

Debt limit (1)	\$11,410,017
Debt applicable to limit:	
General obligation bonds	6,523,222
Transportation bonds	1,645,010
Nontraditional Transportation debt (2)	674,740
Less amounts set aside for repayment of:	
General obligation debt	150,191
Transportation debt	34,614
Total net debt applicable to limit	<u>8,658,167</u>
Legal debt margin	<u>\$2,751,850</u>

Year ended June 30,

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt limit	\$11,410,017	\$9,822,844	\$9,780,943	\$9,064,691	\$8,730,531	\$7,819,314	\$7,301,732	\$6,800,976	\$6,116,782	\$5,747,158
Total net debt applicable to limit	<u>8,658,167</u>	<u>8,015,376</u>	<u>7,400,792</u>	<u>6,924,327</u>	<u>6,572,782</u>	<u>5,463,019</u>	<u>5,212,769</u>	<u>4,862,003</u>	<u>4,232,412</u>	<u>4,081,297</u>
Legal debt margin	<u>\$2,751,850</u>	<u>\$1,807,468</u>	<u>\$2,380,151</u>	<u>\$2,140,364</u>	<u>\$2,157,749</u>	<u>\$2,356,295</u>	<u>\$2,088,963</u>	<u>\$1,938,973</u>	<u>\$1,884,370</u>	<u>\$1,665,861</u>
Total net debt applicable to the limit										
as a percentage of debt limit	75.88%	81.60%	75.67%	76.39%	75.29%	69.87%	71.39%	71.49%	69.19%	71.01%

Source: General Accounting Division, State Comptroller's Office

- (1) For general obligation bonds, the debt limit is based on separate enabling acts for particular objects or purposes that are enacted during each legislative session. There is no separately mandated maximum amount for the issuance of general obligation bonds. For transportation bonds, the General Assembly each year establishes a maximum aggregate outstanding amount that does not exceed \$1,500,000,000 up to June 30, 2004, does not exceed \$2,000,000,000 up to June 30, 2007, and does not exceed \$2,600,000,000 through June 30, 2009 and thereafter.
- (2) The 2009 session of the General Assembly established a maximum outstanding principal amount of \$661,800,000 as of June 30, 2010, for all nontraditional debt of the Department. Nontraditional debt outstanding is defined as any debt instrument that is not a Consolidated Transportation Bond or GARVEE bond. This debt includes certificates of participation, debt backed by customer facility charges, passenger facility charges, or other revenues, and debt issued by the Maryland Economic Development Corporation or any other third party on behalf of the Department.

STATE OF MARYLAND
Schedule of Taxes Pledged to Consolidated Transportation Bonds and Net Revenues as
Defined for Purposes of Consolidated Transportation Bonds Coverage Tests (1)
Last Ten Fiscal Years
(Expressed in Thousands)

	Year ended June 30,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Revenues:										
Taxes and fees (2):										
Taxes pledged to bonds.....	\$1,244,280	\$1,234,750	\$1,139,321	\$1,196,568	\$1,221,720	\$1,220,851	\$1,145,048	\$1,073,953	\$1,046,715	\$1,027,808
Other taxes and fees (3) (4) (6)	415,409	418,734	404,082	410,614	391,618	381,516	112,305	88,833	238,303	219,426
Total taxes and fees.....	1,659,689	1,653,484	1,543,403	1,607,182	1,613,338	1,602,367	1,257,353	1,162,786	1,285,018	1,247,234
Operating revenues	388,587	392,772	395,003	369,241	340,742	328,273	339,635	299,844	297,489	303,206
Investment income.....	394	3,996	3,683	10,574	8,211	4,928	3,374	2,960	3,724	10,423
Other (5).....	(3,600)	(3,666)	4	39,836	87,640	75,902	90,943	79,023	25,950	24,619
Total revenues	2,045,070	2,046,586	1,942,093	2,026,833	2,049,931	2,011,470	1,691,305	1,544,613	1,612,181	1,585,482
Administration, operation and maintenance expenditures	1,582,578	1,526,965	1,488,310	1,396,872	1,302,582	1,237,446	1,177,889	1,159,176	1,044,908	979,318
Less: Federal funds	(90,761)	(93,729)	(79,228)	(72,598)	(70,828)	(79,892)	(76,503)	(76,841)	(50,396)	(29,418)
Total.....	1,491,817	1,433,236	1,409,082	1,324,274	1,231,754	1,157,554	1,101,386	1,082,335	994,512	949,900
Net revenues.....	\$ 553,253	\$ 613,350	\$ 533,011	\$ 702,559	\$ 818,177	\$ 853,916	\$ 589,919	\$ 462,278	\$ 617,669	\$ 635,582
Maximum annual principal and interest requirements	\$ 210,714	\$ 197,281	\$ 153,661	\$ 129,550	\$ 121,412	\$ 141,172	\$ 169,655	\$ 153,965	\$ 138,183	\$ 127,060
Ratio of net revenues to maximum annual principal and interest requirements.....	2.63	3.11	3.47	5.42	6.74	6.04	3.48	3.00	4.47	5.00
Ratio of taxes pledged to bonds to maximum annual principal and interest requirements	5.91	6.26	7.41	9.24	10.06	8.65	6.75	6.98	7.57	8.09

Source: The Secretary's Office of the Department of Transportation.

- (1) Under the terms of the bond authorizing resolutions, additional Consolidated Transportation Bonds (Bonds) may be issued, provided, among other conditions, that (i) total receipts, less administration, operation and maintenance expenditures for the preceding fiscal year equal at least two times maximum annual debt service on all Bonds outstanding and to be issued and that (ii) total proceeds from pledged taxes equal at least two times maximum annual debt service on all Bonds outstanding and to be issued.
- (2) Bonds are payable from certain taxes, principally, motor vehicle excise taxes, motor fuel taxes, and a portion of the corporate income tax. These amounts are available to the extent necessary for that exclusive purpose. Other receipts of the Department are available if necessary.
- (3) In fiscal years 2003 and 2004, \$160,000,000 and \$154,913,000, respectively, of other taxes and fees were transferred to the General Fund per legislation.
- (4) The 2004 Session of the Maryland General Assembly approved legislation increasing Vehicle Registration Fees.
- (5) FY 2007 was the last year for the transfer of \$43 million from Maryland Transportation Authority to the Transportation Trust Fund.
- (6) Legislation was approved to increase the State's Sales Tax and the Vehicle Excise Tax (Titling) from 5% to 6%, effective Jan. 1, 2008. In addition, effective July 1, the percentage of Titling Tax retained by the Department was increased from 76% to 86.7%, and the Department now receives 24% of the State's Sales Tax.

STATE OF MARYLAND
Ratio of Pledged Assets to
Revenue Bonds, Community Development Administration
Last Ten Fiscal Years
(Expressed in Thousands)

	Pledged Assets (1)	Revenue Bonds Payable	Ratio of Pledged Assets to Revenue Bonds
2010	\$3,717,989	\$3,136,883	1.19
2009	3,517,631	2,983,490	1.18
2008	3,489,271	2,971,219	1.17
2007	3,497,373	3,016,848	1.16
2006	2,476,342	2,040,485	1.21
2005	2,439,264	1,973,583	1.24
2004	2,643,756	2,211,905	1.20
2003	3,003,939	2,537,388	1.18
2002	3,030,657	2,628,254	1.15
2001	3,004,743	2,640,052	1.14

(1) Bonds and notes issued by the Community Development Administration (CDA) are special obligations of CDA and are payable solely from the revenues of the applicable mortgage loan programs. Assets, principally mortgage loans, and program revenues are pledged as collateral for the revenue bonds.

STATE OF MARYLAND
Schedule of Demographic Statistics
Last Ten Years

	Population (1)	Total Personal Income (2) (Expressed in Thousands)	Per Capita Personal Income	School Enrollment (3)	Unemployment Rate (4)
2010	5,699,478	\$278,026,000	\$48,781	984,134	7.4%
2009	5,633,597	272,542,169	48,378	975,861	5.9
2008	5,618,899	264,367,477	47,050	1,024,803	3.7
2007	5,602,258	252,780,827	45,121	1,036,523	3.9
2006	5,575,552	237,522,127	42,601	1,050,627	3.8
2005	5,538,989	225,022,781	40,625	1,053,378	4.2
2004	5,495,009	209,373,672	38,103	1,056,520	4.3
2003	5,439,327	202,147,625	37,164	1,056,944	4.7
2002	5,375,659	194,986,252	36,272	1,049,733	4.6
2001	5,310,451	184,173,788	34,681	1,040,020	3.8

Sources:

(1) U.S. Department of Commerce, Bureau of Census, "Annual Population Estimates by State"

Note: Figures are estimates for the calendar year except that the current year amount is a projected estimate for the year.

(2) U.S. Department of Commerce, Bureau of Economic Analysis. All ten years of income data based on April 2004 Comprehensive Revision of State Personal Income Statistics for 1969-2002.

Preliminary estimates are provided for 2003-2009. Data provided is for the prior ending calendar year.

(3) Figures are for the calendar year. State Department of Education, grades pre-kindergarten thru grade 12. Includes public and nonpublic schools. 2010 data for nonpublic schools is incomplete.

(4) Figures are for the fiscal year. State Department of Labor, Licensing and Regulation.

CITY OF GAITHERSBURG, MARYLAND
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
June 30, 2010

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City	Amount Applicable to City of Gaithersburg
Direct			
City of Gaithersburg	\$ 0	0.0%	\$ 0
Overlapping	0	0.0%	0
Montgomery County	2,594,583,242	0.0%	0
Total Direct and Overlapping Debt	<u>\$ 2,594,583,242</u>	<u>0.0%</u>	<u>0</u>

Source: Montgomery County Department of Finance

**CITY OF GAITHERSBURG, MARYLAND
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2010**

Neither state law nor the City Charter mandates a limit on the amount of municipal debt that may be issued.

**CITY OF GAITHERSBURG, MARYLAND
DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years
June 30, 2010**

Year	(1) Population	Personal Income (\$ thousands)	(2) Per Capita Income	Median Age	(3) Montgomery County Avg. School Enrollment	(4) Montgomery County Unemployment Rate	
2010	58,017	\$ 4,049,761	\$ 69,803	N/A	140,500	5.6	%
2009	57,818	3,990,251	69,014	N/A	137,763	5.3	
2008	59,912	4,045,917	67,531	N/A	137,745	3.3	
2007	60,736	4,057,833	66,811	N/A	137,798	2.7	
2006	58,607	3,789,822	64,665	N/A	139,387	2.8	
2005	57,812	3,486,237	60,303	N/A	139,337	3.1	
2004	56,365	3,206,548	56,889	N/A	139,203	3.2	
2003	55,253	2,942,885	53,262	N/A	138,891	3.3	
2002	53,141	2,760,356	51,944	N/A	136,832	3.5	
2001	53,095	2,703,438	50,917	N/A	134,180	3.1	

(1) City of Gaithersburg, Department of Planning & Code Administration

(2) Bureau of Economic Analysis (BEA), U. S. Department of Commerce (Montgomery County information)

(3) Office of Management and Budget, Montgomery County Government

(4) Montgomery County Department of Finance

* U.S. Census Bureau

THE CITY OF FREDERICK, MARYLAND
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Estimated Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Tax Increment Financing Bonds	State Loans	Leases	General Obligation Bonds	State Loans	Leases				
2001	\$ 26,835,000	\$ 2,450,472	\$ 2,368,089	\$ -	\$ 12,900,000	\$ -	\$ 174,749	\$ 44,728,310	2.46%	\$ 847.66	
2002	40,921,000	2,397,997	1,656,603	-	16,614,000	3,785,000	137,936	65,512,536	3.36%	1,164.01	
2003	52,738,000	2,342,399	1,290,333	-	26,907,000	5,365,105	97,250	88,740,087	4.29%	1,532.14	
2004	49,553,000	2,283,494	1,205,576	1,270,000	25,157,000	5,140,568	-	84,609,638	3.82%	1,442.62	
2005	45,611,646	2,221,084	1,117,651	1,019,450	21,993,067	4,910,560	-	76,873,458	3.29%	1,302.65	
2006	43,680,000	2,154,960	1,033,999	1,968,583	89,269,364	4,674,983	225,957	143,007,846	5.63%	2,355.01	
2007	40,352,000	2,084,902	955,120	1,480,841	84,881,629	4,191,728	181,238	134,127,458	4.99%	2,180.65	
2008	37,018,000	2,010,676	228,103	979,971	80,384,180	3,954,548	154,029	124,729,507	4.48%	2,018.90	
2009	76,440,000	1,932,033	206,238	484,952	162,921,695	3,711,913	104,474	245,801,305	N/A	3,950.71	
2010	72,999,000	1,848,711	183,685	246,723	157,560,284	3,469,278	54,919	236,362,600	N/A	3,772.93	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) - See Selected Demographic Statistics for personal income data.

(2) - See Ratios of General Bonded Debt Outstanding below for population data.

THE CITY OF FREDERICK, MARYLAND
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Tax Increment Financing Bonds	Total General Bonded Debt	Assessed Value of Taxable Property	Property	Population	Total General Bonded Debt Per Capita
2001	\$ 26,835,000	\$ 2,450,472	\$ 29,285,472	\$ 1,328,684,649	2.20%	52,767	\$ 555.00
2002	40,921,000	2,397,997	43,318,997	3,280,584,968	1.32%	56,282	769.68
2003	52,738,000	2,342,399	55,080,399	3,528,715,289	1.56%	57,919	950.99
2004	49,553,000	2,283,494	51,836,494	3,664,000,252	1.41%	58,650	883.83
2005	45,611,646	2,221,084	47,832,730	3,809,982,818	1.26%	59,013	810.55
2006	43,680,000	2,154,960	45,834,960	4,300,796,906	1.07%	60,725	754.80
2007	40,352,000	2,084,902	42,436,902	4,836,958,325	0.88%	61,508	689.94
2008	37,018,000	2,010,676	39,028,676	5,455,770,970	0.72%	61,781	631.73
2009	76,440,000	1,932,033	78,372,033	6,033,993,100	1.30%	62,217	1,259.66
2010	72,999,000	1,848,711	74,847,711	6,478,588,038	1.16%	62,647	1,194.75

THE CITY OF FREDERICK, MARYLAND
DIRECT AND OVERLAPPING DEBT
as of June 30, 2010

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Frederick County	\$ 740,995,820	24.03%	\$ 178,061,296
The City of Frederick direct debt			75,031,396
			<u>\$ 253,092,692</u>

Sources: Debt outstanding and assessed value data used to estimate applicable percentages provided by Frederick County.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of The City of Frederick. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

The City of Frederick direct debt included in this schedule is limited to debt related to governmental activities.

- (1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the County's total taxable assessed value.

THE CITY OF FREDERICK, MARYLAND
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Ratio of Total Net Debt Applicable to Limit to Debt Limit
2000	\$ 99,760,352	\$ 38,629,923	\$ 61,130,429	38.72%
2001	106,294,771	35,498,561	70,796,210	33.40%
2002	262,446,797	48,460,600	213,986,197	18.46%
2003	282,297,223	69,725,527	212,571,696	24.70%
2004	293,120,020	65,525,887	227,594,133	22.35%
2005	304,798,625	61,400,017	243,398,608	20.14%
2006	344,063,752	76,733,730	267,330,022	22.30%
2007	386,956,666	71,374,651	315,582,015	18.45%
2008	436,461,678	65,546,959	370,914,719	15.02%
2009	482,719,448	126,415,966	356,303,482	26.19%
2010	518,287,043	120,931,380	397,355,663	23.33%

In fiscal year 2002, the assessed value of real property was changed from 40% to 100% of estimated actual value. However, no adjustment was made to the debt limit restriction rate of 8% that is established by City charter.

THE CITY OF FREDERICK, MARYLAND
COMPUTATION OF LEGAL DEBT MARGIN
June 30, 2010

Assessed valuations		\$ 6,478,588,038
Debt limit (8% of assessed value per City Charter)		\$ 518,287,043
Amount of debt applicable to debt limit:		
Total bonded debt	\$ 232,407,995	
Other debt	3,647,382	
	\$ 236,055,377	
Less: Water and sewer debt	115,123,997	
Total amount of debt applicable to debt limit		120,931,380
Legal debt margin		\$ 397,355,663

The City charter establishes a debt limit of 8% of the total assessed value of all taxable property. Debt issued for the purpose of financing and paying for the construction, operation, maintenance and repair of the water supply and treatment facilities and the sewage collection and treatment facilities are not included in the calculation of the amount of debt subject to this limitation.

The City of Frederick, Maryland
Ratio of General Fund Annual Debt Service Expenditures to General Fund Revenues
Ten-Year Summary
For the years ended June 30,

Fiscal Year	Principal	Interest	Total General Fund Debt Service	Total General Fund Revenue	Ratio of Debt Service to General Fund Revenue
2001	\$ 2,314,554	\$ 1,558,760	\$ 3,873,314	\$ 35,038,726	11.05%
2002	2,312,770	1,204,392	3,517,162	36,783,874	9.56%
2003	2,222,485	1,716,265	3,938,750	39,519,168	9.97%
2004	3,328,662	2,096,685	5,425,347	40,719,474	13.32%
2005	4,042,885	2,016,215	6,059,100	46,515,231	13.03%
2006	4,024,631	1,908,433	5,933,064	52,683,932	11.26%
2007	3,964,680	1,849,520	5,814,200	57,622,015	10.09%
2008	4,735,368	1,713,343	6,448,711	60,460,843	10.67%
2009	4,638,528	1,545,865	6,184,393	62,372,998	9.92%
2010	3,785,104	3,075,786	6,860,890	63,281,356	10.84%

THE CITY OF FREDERICK, MARYLAND
 SELECTED DEMOGRAPHIC STATISTICS
 June 30, 2010
 For the years ended June 30,

Fiscal Year	(1) Population	(2) Household Mean Income	(3) Per Capita Personal Income	(1 x 3) Estimated Personal Income (000s)	(4) School Enrollment	(5) Estimated Unemployment Rate - June
2001	52,767	\$ 77,150	\$ 34,521	\$ 1,821,570	36,961	5.10%
2002	56,282	77,400	34,640	1,949,608	38,122	5.90%
2003	57,919	78,650	35,705	2,067,998	38,621	6.10%
2004	58,650	81,800	37,765	2,214,917	39,004	5.90%
2005	59,013	84,150	39,560	2,334,554	39,564	3.70%
2006	60,725	87,850	41,861	2,542,009	39,741	3.70%
2007	61,508	91,800	43,716	2,688,884	40,315	3.30%
2008	61,781	94,800	45,054	2,783,481	40,566	4.00%
2009	62,217	95,750	N/A	N/A	40,155	6.90%
2010	62,647	N/A	N/A	N/A	40,210	7.20%

Data on population, estimated personal income and unemployment rate is for The City of Frederick; all other data is for Frederick County

Sources: (1) 2007 Estimate by Frederick County Planning Department
 2001 - U.S. Census Bureau
 2002 - 2006, 2008 - 2010 - The City of Frederick Planning Department
 (2) Maryland Department of Planning Data Services, May 2010, (current dollars)
 (3) Regional Economic Information System, Bureau of Economic Analysis, April 2010
 (current dollars, not adjusted for inflation)
 (4) Frederick County Board of Education
 (5) U.S. Department of Labor, Bureau of Labor Statistics, Frederick City

N/A - Not available